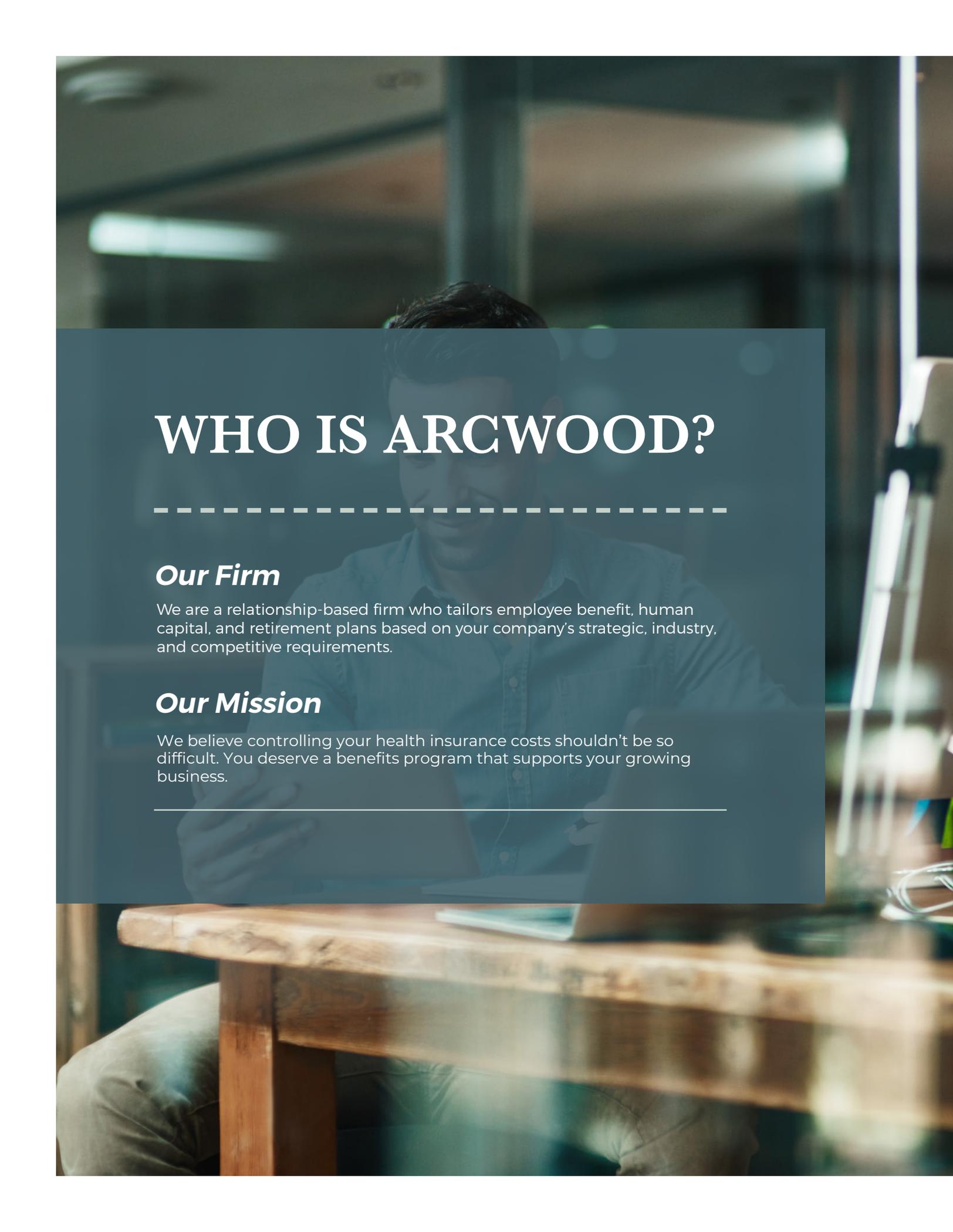


EMPLOYEE BENEFIT SERVICES





WHO IS ARCWOOD?

Our Firm

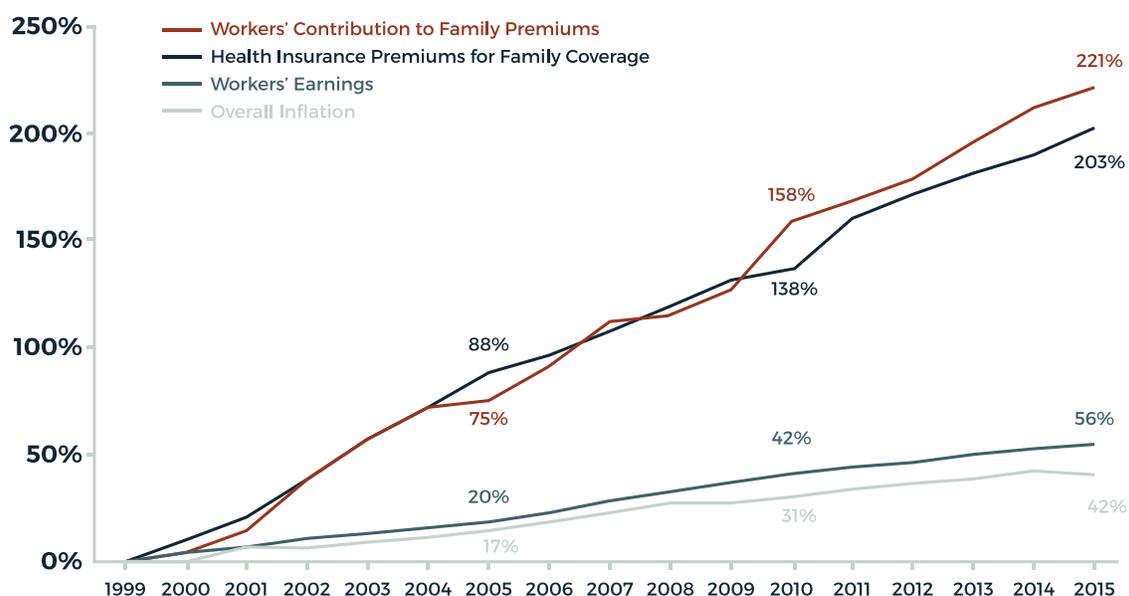
We are a relationship-based firm who tailors employee benefit, human capital, and retirement plans based on your company's strategic, industry, and competitive requirements.

Our Mission

We believe controlling your health insurance costs shouldn't be so difficult. You deserve a benefits program that supports your growing business.

AMERICA'S RISING HEALTHCARE COSTS

Cumulative Increases in Health Insurance Premiums, Workers' Contributions to Premiums, Inflation, and Workers' Earnings, 1999-2015



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2015; Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999-2015; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2015 (April to April).

Medical bills are causing financial hardships across the country, estimates range between 25% and 62% of consumer bankruptcies included cost of providing medical care.

<https://www.kff.org/report-section/the-burden-of-medical-debt-section-3-consequences-of-medical-bill-problems/>

HOW CAN WE HELP?

U.S. health care costs currently exceed 17% of GDP and continue to rise. Explanations are not hard to find. The aging of the population and development of new treatments are behind some of the increase. Conflicting incentives also contribute: Third-party payers (insurance companies and governments) reimburse for procedures performed rather than outcomes achieved, and patients bear little responsibility for the cost of the health care services they demand.

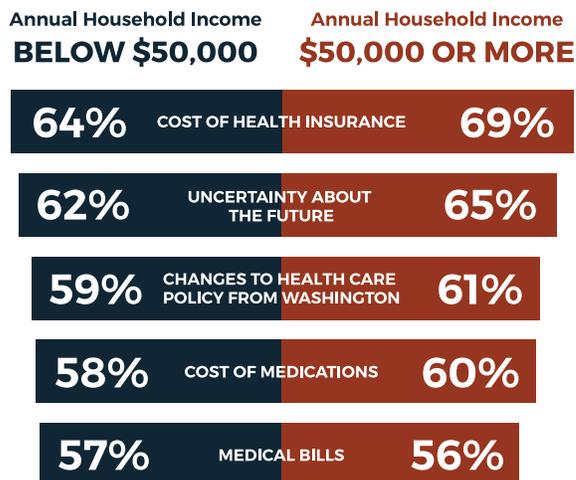
ARCWOOD CAN HELP BY:

- Presenting options to increase pricing transparency.
- Educate plan participants to be better consumers.
- Create plan designs with financial incentives for the plan participant in mind.

A better understanding equals better decisions. Better decisions equal better consumers.

HEALTH CARE STRESS FELT REGARDLESS OF INCOME

No matter their household income, Americans are equally likely to say certain health-related issues are sources of stress for themselves, their loved ones or just in general.



Note: Percentages refer to the responders who indicated stress for themselves, their loved ones or just in general with regard to certain health-related issues.



START WITH THE BASICS

MANDATE 1: PLAN AHEAD

We are on an unsustainable path. Change is difficult and takes time. Business owners and their leadership teams must balance the need to provide a competitive compensation package; to keep the budget in order; and to maintain a productive work environment. Change takes commitment from all leaders in a company and doing nothing is not an option.



MANDATE 2: AT SOME POINT, YOUR GROUP HEALTH PLAN COULD BE ONE OF THE MOST IMPORTANT ASPECTS OF YOUR EMPLOYEES LIFE.

Employers expend substantial time and resources designing benefits packages to help attract and retain a strong workforce. The most successful benefits programs depend upon your participants understanding how to receive the best value from your benefits plan.

Americans' top financial concern is not being able to pay medical costs, followed by not having enough money for retirement, third is not being able to pay medical costs for normal health care. (Americans' Financial Anxieties in 2017, Gallup, May 19, 2017)

Preparing your participants with tools and understanding of how to best utilize their benefits plan now lets them focus on taking care of themselves or a loved one at the appropriate time.



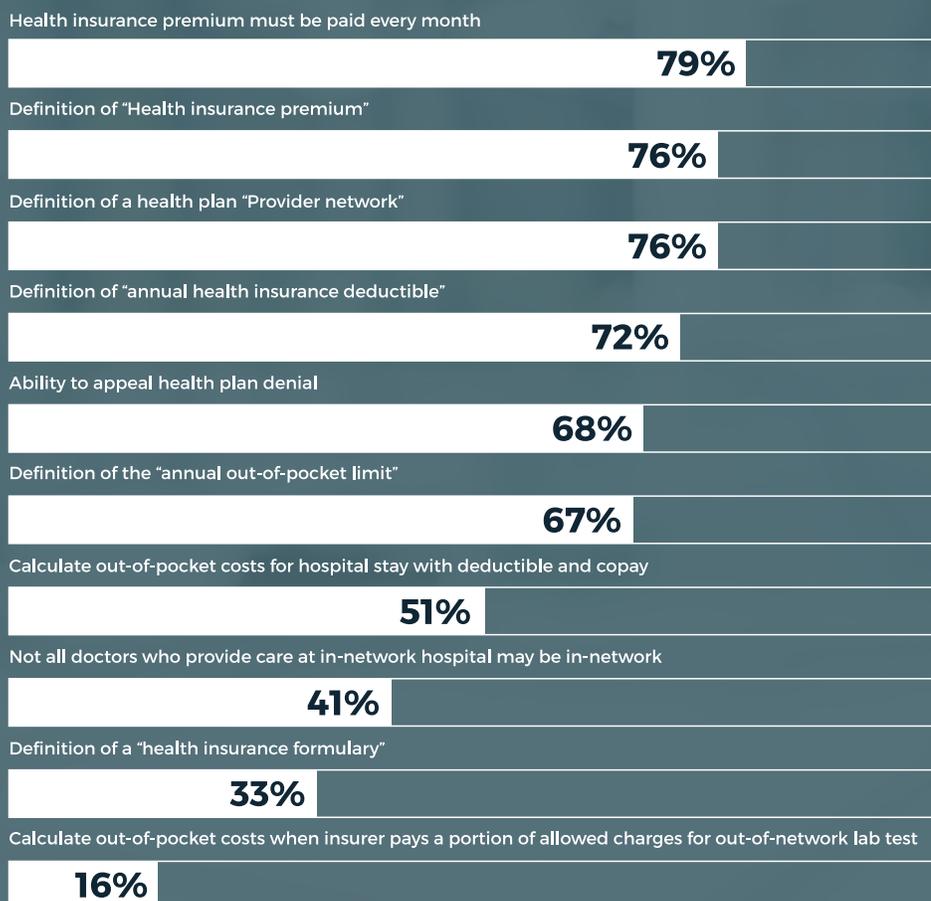
**MANDATE 3:
DON'T BE AFRAID
TO THINK
OUTSIDE THE BOX**

MANDATE 4: INSURANCE LITERACY MATTERS

Insurance literacy builds confidence and understanding to navigate a very complex system at a critical time. By providing ongoing education and resources for participants before, during, and after active use of your benefits plan can help reduce frustration and help increase productivity.

Knowledge of Health Insurance Terms and Concepts

Percent who correctly answered each question:



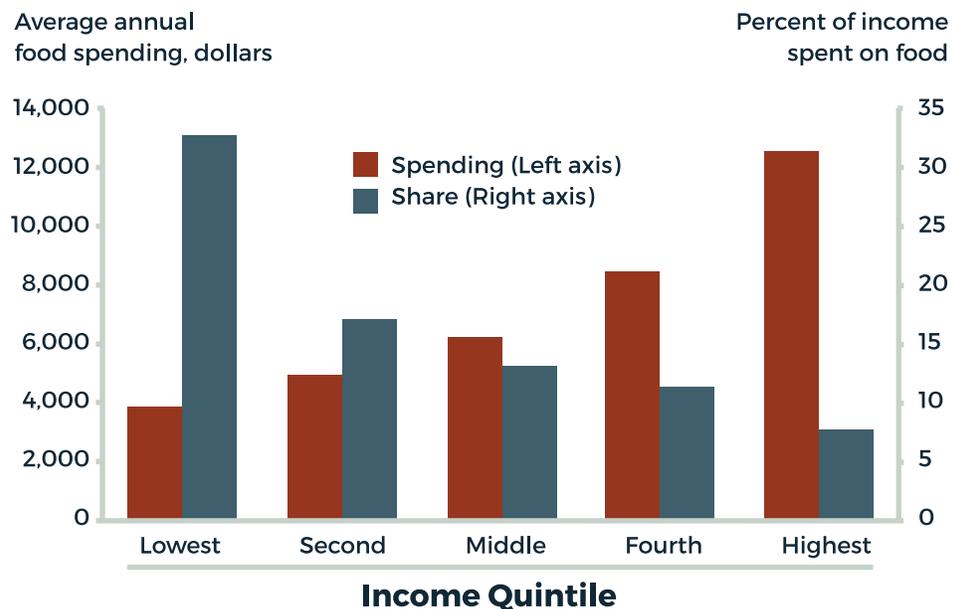
Source: Kaiser Family Foundation, Assessing Americans' Familiarity With Health Insurance Terms and Concepts (conducted October 17-27, 2014)

Join the survey here: <https://www.kff.org/quiz/health-insurance-quiz/>

MANDATE 5: PARTICIPANTS NEED SOLUTIONS

The average family spends twice as much on healthcare then they do on food.

Food spending and share of income spent on food across U.S. households, 2016



Source: USDA, Economic Research Service using data from U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, 2016.

24% of Americans self -modify prescriptions because of cost.
- Kaiser Family Foundation Health Tracking Poll December 13-19, 2016

KEY DIFFERENTIATORS

Reduce Administrative Work

As a client, you receive a dedicated benefits account manager to work with your service providers. You call us, your employees call us, we manage the rest.

Compliance

All staff are HIPAA/HITECH certified with annual education requirements, our benefit leaders are certified Patient Protection and Affordable Care Act Professionals; our Attorneys on retainer with specialties in ERISA, Labor, Business, and Trademark Law.

Consistent Communication

Customized enrollment materials, live & webinar enrollment meetings, coupled with our state-of-the-art enrollment software, provides your employees with a consistent delivery of your benefits details, required notices and cost structure.

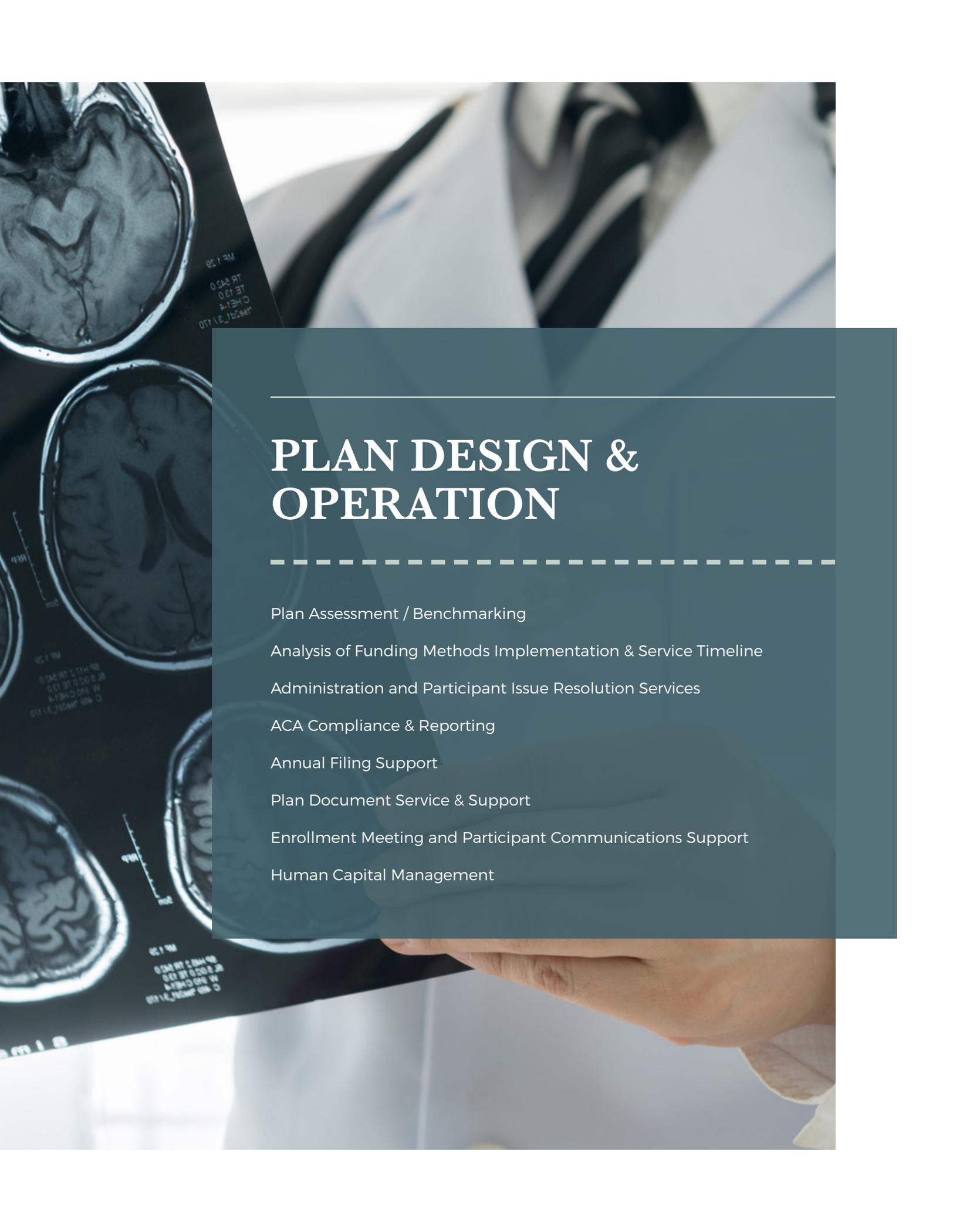
Plan Document Services

Our optional Plan Document services include your Summary Plan Description (SPD), Summary of Material Modifications (SMM), Section 125, and 105 plan languages.

Operational Assistance Services

Our team of certified HR professionals assist in the creation of best practices, workflows, and taking the guesswork out of operational compliance.





PLAN DESIGN & OPERATION

Plan Assessment / Benchmarking

Analysis of Funding Methods Implementation & Service Timeline

Administration and Participant Issue Resolution Services

ACA Compliance & Reporting

Annual Filing Support

Plan Document Service & Support

Enrollment Meeting and Participant Communications Support

Human Capital Management

THE ROADMAP TO RESULTS

We pride ourselves on keeping things simple



Introduce Arcwood Strategies

Step one is a 10-15 minute phone call to gauge if your organization would qualify for a custom benefit plan or consulting.



Data Gathering and Analysis

30-45 minute virtual meeting to gather data and see if our strategies and philosophy fits your organizational needs.



Insights and Consulting Meeting

60-90 minute in-person meeting to deliver insights attained from your data and expected results from implementation.

THINGS. CAN. BE. DIFFERENT.





THE HISTORY AND EVOLUTION OF OUR HEALTH CARE SYSTEM

1911

Montgomery Ward Enters into a contract with London Guarantee and Accident Company of NY

1929

Baylor University Hospital starts prepaid coverage for 1500 school teacher. - The predecessor to our modern Blue Cross

1939

CA developed the first state wide Blue Shield plan paying physicians

1912

Teddy Roosevelt campaigns on "Social Insurance " issues and American Assoc. for Labor publishes a draft bill which doesn't pass

1932

Franklin D. Roosevelt removed national healthcare from his plan for Social Security fearing it would kill both initiatives

1942

Stabilization Act was passed changing how employers competed for workers. By 1943, employers had an incentive to add employer sponsored insurance for their workers and the modern era of employer sponsored health insurance began.

1950

AMA defeats Truman's gov't sponsored health care plan

1974

Nixon resigns, along with the hopes on the compromise between The Nixon plan and Sen. Edward Kennedy's Plan, despite concerns over rising health care costs.

2006

Medicare Part D takes effect giving seniors subsidized prescription coverage by George W. Bush

2013

Healthcare.gov, the health insurance marketplace launches.

1965

Social Security Act of 1935 is amended to include Medicare and Medicaid

1994

Clinton's Health Security Act is declared dead.

2010

Affordable Care Act is signed into law by Barack Obama



ARCWOOD®
BENEFITS | HR | RETIREMENT

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